

<p>Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address</p> <p>Daniel A. Lev (CA Bar No. 129622) dlev@sulmeyerlaw.com SulmeyerKupetz, A Professional Corporation 333 South Grand Avenue, Suite 3400 Los Angeles, CA 90071 Telephone: 213.626.2311 Facsimile: 213.629.4520</p> <p><input type="checkbox"/> Individual appearing without attorney <input checked="" type="checkbox"/> Attorney for: Elissa D. Miller, Chapter 7 Trustee</p>		<p>FOR COURT USE ONLY</p>	
<p>UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA – LOS ANGELES DIVISION</p>			
<p>In re:</p> <p>NUEVO WORLD INVESTMENTS, LLC,</p> <p>Debtor(s).</p>		<p>CASE NO.: 2:20-bk-12036-BR CHAPTER: 7</p> <p>NOTICE OF SALE OF ESTATE PROPERTY</p>	

Sale Date: August 11, 2020	Time: 10:00 a.m.
Location: 255 E. Temple Street, Los Angeles, California 90012, Courtroom “1668”	

Type of Sale: ☒ Public ☐ Private **Last date to file objections:** July 28, 2020

Description of property to be sold: Real property located at 12115-12117 E. Slauson Avenue, Santa Fe Springs, California 90670

Terms and conditions of sale: \$2,700,000, cash, subject to qualified overbids (see attachment hereto)

Proposed sale price: \$2,700,000 subject to qualified overbids

Overbid procedure (if any): See attachment

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:

August 11, 2020

10:00 a.m.

255 E. Temple Street

Courtroom "1668"

Los Angeles, California 90012

Contact person for potential bidders (include name, address, telephone, fax and/or email address):

Daniel A. Lev, Esq.

SulmeyerKupetz, A Professional Corporation

333 South Grand Avenue, Suite 3400

Los Angeles, California 90071

Telephone: 213.626.2311

Email: dlev@sulmeyerlaw.com

Date: July 21, 2020

ATTACHMENT

ATTACHMENT TO NOTICE OF SALE OF ESTATE PROPERTY

Description of Property to be Sold: Through her “Chapter 7 Trustee’s Motion for Order (1) Authorizing Sale of Real Property (12115-12117 E. Slauson Avenue, Santa Fe Springs, California 90670) Free and Clear of Liens, Claims, and Interests; (2) Confirming Sale to Buyer; (3) Determining That Buyer Is A Good Faith Purchaser; (4) Authorizing Withholding and Remittance of Estimated State Income Taxes Arising From Sale; (5) Waiving the Fourteen (14) Day Stay Prescribed By Rule 6004(h) of the Federal Rules of Bankruptcy Procedure; and (6) Approving Bidding Procedures in Connection With Proposed Sale; Memorandum of Points and Authorities; Declarations of Elissa D. Miller and Paul A. Sablock in Support Thereof” (the “Motion”), Elissa D. Miller (the “Trustee”), the duly appointed, qualified, and acting chapter 7 trustee for the estate of the debtor Nuevo World Investment, LLC (the “Debtor”), hereby seeks, among other things, an order approving a sale of the estate’s interest in certain real property more commonly known as 12115-12117 E. Slauson Avenue, Santa Fe Springs, California 90670 (the “Property”) on the terms and conditions stated in the written (i) “Counter-Offer,” dated May 13, 2020, (ii) “Trustee’s Affirmation of Agreement,” dated May 13, 2020, (iii) “Addendum to Counter Offer Dated May 13, 2020,” dated May 13, 2020, (iv) “Amended Escrow Instructions,” dated June 2, 2020, and (v) “Amended Escrow Instructions,” dated June 26, 2020 (collectively, the “Purchase Agreement”), by and between the Trustee, as seller, and Hratch Semerdjian and Harout Semerdjian, or their designee Semco Precision, Inc, a California corporation (collectively, the “Buyer”), as buyer. A true and correct copy of the Purchase Agreement is attached to the Motion as Exhibit “A”. The Purchase Agreement provides, among other things, that Buyer shall pay the amount of \$2,700,000, cash, provided, however, that, pursuant to a separate agreement between the Trustee and Buyer, upon the close of escrow, the amount of \$42,000 shall remain in a segregated account to compensate Buyer for damage to (i) the warehouse doors and (ii) electrical equipment which occurred subsequent to execution of the Purchase Agreement, such that the total amount received by the estate from the sale of the Property shall be \$2,658,000. As part of the Motion, the Trustee seeks an order approving the sale free and clear of certain delineated liens, claims, and interests on an “as is” “where is” basis, with no warranties, recourse, contingencies or representations of any kind, except as may be provided in the Purchase Agreement. Finally, the Trustee seeks an order (i) confirming the sale to Buyer, or the successful qualified overbidder; (ii) authorizing the Trustee to execute any and all documents that may be necessary to consummate the sale; (iii) determining that Buyer, or the successful qualified overbidder, is entitled to the good faith protections afforded by 11 U.S.C. § 363(m); (iv) authorizing the withholding and remittance of estimated state income taxes, if any, arising from the sale; (iv) waiving the fourteen (14) day stay prescribed by Rule 6004(h) of the Federal Rules of Bankruptcy Procedure; and (v) approving and establishing bidding procedures to be implemented at the hearing on the Motion in the event a qualified overbidder is interested in acquiring the Property.

Method of Sale: Existing cash offer of \$2,700,000, subject to qualified overbids

- Sale Description: Date of Sale: August 11, 2020, 10:00 a.m. (subject to continuances)
Place: 255 E. Temple Street, Los Angeles, California 90012, Courtroom "1668"
- Offer Received: The Trustee has received and accepted an offer from Buyer for \$2,700,000, cash, or to any person or entity who appears at the hearing and submits a higher acceptable bid.
- Overbid Terms: The proposed sale to Buyer is subject to approval of the United States Bankruptcy Court and to qualified overbids, and any person or entity desiring to submit an overbid must comply with the following proposed Bidding Procedures:

A. Continued Marketing and Access to Information

Between the date of the Motion and the hearing date (the "Sale Hearing"), the Trustee will continue to solicit interest in the Property and provide information to prospective bidders (each a "Potential Bidder"), as well as Buyer, through Jones Lang LaSalle Brokerage, Inc. ("JLL"), her employed real estate broker. In order to participate in the process, a Potential Bidder will be provided reasonable access to the Property, as well as the Trustee's due diligence materials, if any, in order to conduct due diligence on the Property. The Trustee and her agents and professionals will also be available to answer any questions regarding the information in the due diligence materials or other reasonably requested information.

B. Bidding Process

The Trustee shall use commercially reasonable good faith efforts to (i) determine whether any entity or person is a Potential Bidder and Qualified Bidder (as defined below), (ii) receive bids from any Qualified Bidders, and (iii) if Qualified Bids (as defined below) are timely received, conduct an auction (the "Auction") between Buyer and other Qualified Bidders at the Sale Hearing to determine the Successful Bid (as defined below) in accordance with these Bidding Procedures (collectively, the "Bidding Process"). Any entity or person who wishes to participate in the Bidding Process must be a Qualified Bidder. The Trustee shall not be obligated to furnish information of any kind regarding the Property to any entity or person that is not a Potential Bidder (as defined below). The Trustee shall have the right to adopt such other rules for the Bidding Process that are not materially inconsistent with any of the provisions of the Purchase Agreement, the Bidding Procedures, or any Bankruptcy Court order that, in the Trustee's sole judgment, promotes a fair, open, and competitive Bidding Process. Any such adoption shall be stated on the record of the Auction at the Sale Hearing.

C. Qualified Bidders and Participation Requirements

Unless otherwise ordered by the Bankruptcy Court for cause shown or in the Trustee's good faith business judgment, to participate in the Bidding Process, each interested entity or person must deliver the following to the Trustee (each, a "Potential Bidder"):
The most current audited and latest unaudited financial statements (collectively, the "Financials") of such interested entity or person, or such other evidence reasonably acceptable to the Trustee, that evidence such interested entity's or person's financial capability to fully and timely consummate a transaction on the terms of its bid were such bid to be accepted by the Trustee and approved by the Bankruptcy Court.

The Trustee shall provide each Potential Bidder with a copy of the Purchase Agreement. A "Qualified Bidder" is a Potential Bidder that submits to the Trustee a Qualified Bid by no later than two (2) business days prior to the Auction. A "Qualified Bid" is a "Marked Agreement," dated and signed by the Potential Bidder, on the terms of the Purchase Agreement, subject to minor changes which individually or in the aggregate would not, in the reasonable judgment of the Trustee, be materially more favorable to the "buyer" under the Marked Agreement than the Purchase Agreement is to Buyer, and also subject to the following requirements (each, a "Qualified Bid"):

- (i) the purchase price would be paid in cash at closing in an amount not less than \$2,750,000;
- (ii) the Marked Agreement would be accompanied by a cash deposit in favor of the Trustee of at least \$82,500, which would be immediately non-refundable if the Qualified Bidder were to become the Successful Bidder (the "Good Faith Deposit") and was unable to close escrow for any reason other than material breach by the Trustee;
- (iii) there would be no "Feasibility Period" and the closing would occur on the date required under the Purchase Agreement;
- (iv) it would not be conditioned on obtaining financing or any internal approval, or on the outcome or review of due diligence;
- (v) it would be irrevocable through the conclusion of the Auction;
- (vi) it would not request or entitle the bidder to any break-up fee, termination fee, expense reimbursement, or similar type of payment;
- (vii) it would acknowledge and represent that the bidder (1) tendered its bid with full knowledge it conducted, or had the opportunity to conduct, its due diligence with respect to the Property, or otherwise to inspect and examine the Property and the transaction structure set forth in the Purchase Agreement prior to the Sale Hearing, (2) in making its bid, it has relied solely on its own independent review and investigation of same, and (3) it did not rely on any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied, or by operation of law or otherwise

regarding same, or the completeness of any information provided in connection therewith at the Auction, except as expressly stated in the Marked Agreement or the Bidding Procedures; and

(viii) it fully discloses the identity of each person or entity that will be bidding or otherwise participating in connection with such bidding, and all terms of any such participation that, in the reasonable business judgment of the Trustee, are relevant to such bid.

A bid received from a Qualified Bidder before the Bid Deadline (as defined below) that meets the above requirements shall constitute a "Qualified Bid" provided, however, that the Trustee may request that a Qualified Bidder amend its bid to address any failure to comply with any of the requirements listed in this paragraph. For purposes of the Bidding Process, the Purchase Agreement executed by Buyer constitutes a Qualified Bid and Buyer is deemed a Qualified Bidder.

Each Qualified Bidder must disclose all of its pre-petition and post-petition relationships with other bidders, the Debtor, or creditors of the Debtor. Only a Qualified Bidder is entitled to bid at the Auction. Each Potential Bidder, whether a Qualified Bidder or not, and its affiliates or joint venturers, shall be deemed to have submitted to the exclusive jurisdiction of the Bankruptcy Court with respect to all matters relating to its bid, the Auction and the purchase/sale of the Property.

D. Bid Deadline

A Potential Bidder that desires to make a bid shall deliver by mail or hand delivery a signed and dated Marked Agreement and the Good Faith Deposit so that both are received by the Trustee by not later than 5:00 p.m. (PST), two (2) business days prior to the Auction (the "Bid Deadline"), addressed as follows: Daniel A. Lev, Esq., SulmeyerKupetz, A Professional Corporation, 333 South Grand Avenue, Suite 3400, Los Angeles, California 90071-1406 (email: dlev@sulmeyerlaw.com; fax: (213) 629-4520). Only Potential Bidders that become Qualified Bidders by timely submitting a Qualified Bid prior to the Bid Deadline (as it may be extended in compliance with these Bidding Procedures) shall be entitled to bid at the Auction. The Trustee may extend the Bid Deadline once or successively, but is not obligated to do so. If the Trustee extends the Bid Deadline, she shall promptly notify all Potential Bidders of the extension. If no Qualified Bid (other than that of Buyer) has been received by the Trustee by the Bid Deadline, Buyer shall be deemed the Successful Bidder, there shall be no Auction and the Trustee shall seek approval of the Purchase Agreement at the Sale Hearing.

E. Auction

If any Qualified Bid (other than that of Buyer under the Purchase Agreement) is received by the Bid Deadline, then the Trustee shall conduct the Auction at the Sale Hearing for the right to become the Successful Bidder. Due to ongoing court closures as a result of the COVID-19 pandemic, a Qualified Bidder may participate in the Auction

by arranging to attend the Sale Hearing by court call. If no Qualified Bid, other than that of Buyer under the Purchase Agreement, is received by the Bid Deadline, then the Trustee will not conduct the Auction and shall designate Buyer's bid as the Successful Bid for the purposes of these Bidding Procedures.

At least one (1) business day prior to the date of the Auction, the Trustee shall (i) notify all Qualified Bidders, including Buyer, of the Qualified Bid that, as determined in the Trustee's sole discretion, constitutes the highest or otherwise best Qualified Bid (the "Baseline Bid"), and (ii) deliver to Qualified Bidders, including Buyer, a copy of each Qualified Bid that he has received.

The Auction shall commence at the Sale Hearing and shall take place in Courtroom "1668" of the United States Bankruptcy Court, Central District of California, Los Angeles Division, located at 255 East Temple Street, Los Angeles, California 90012, or such other time or place as the Trustee and/or the Court may direct in writing to all Qualified Bidders.

The Auction shall be conducted in accordance with the following procedures: (i) only the Trustee, the Buyer, and other Qualified Bidders (and their advisors) who have timely submitted Qualified Bids will be permitted to attend and participate in the Auction, (ii) only a Qualified Bidder who has submitted a Qualified Bid will be eligible to participate in the Auction, (iii) all Qualified Bidders must be present at the Auction in person, via court call, or through a qualified representative, (iv) unless specified by the Trustee, no Qualified Bidder will be permitted more than ten (10) minutes to respond to the previous bid, and (v) any Qualified Bidder who is absent from the Auction for more than ten (10) consecutive minutes while the Auction is in progress is presumed to have affirmatively withdrawn from the Auction. A record of the proceedings at the Auction shall be electronically recorded by a certified court reporter, and a transcript of such proceedings shall be made available by the Trustee to any party in interest, upon request.

At the Auction, Qualified Bidders will be permitted to increase their bids. The bidding shall start at the amount of the Baseline Bid. The Trustee shall announce prior to each subsequent round of bidding the minimum incremental overbid, which for the initial incremental overbid shall be \$50,000 (or a \$2,750,000 purchase price), and for each subsequent incremental overbid shall be an amount that is not less than \$10,000. All bids at the Auction shall be made on the record.

The Trustee, in consultation with JLL and her legal advisors, shall review each Qualified Bid on the basis of its financial and contractual terms and the factors relevant to the transaction process and the best interests of the Debtor's estate, including those factors affecting the speed and certainty of consummating the transaction, and immediately prior to the conclusion of the Auction (i) identify the Successful Bid, (ii) identify the next highest or otherwise best offer after the Successful Bid (the "Next Highest Bid"), and (iii) notify all Qualified Bidders present at the Auction of the identities of the bidder that submitted the Successful Bid (the "Successful Bidder") and the bidder that submitted the Next Highest Bid (the "Next Highest Bidder"), and the respective amounts and terms

of their bids. At the Sale Hearing, the Trustee shall present the Successful Bid to the Bankruptcy Court for approval.

If the bidder identified by the Trustee as the Next Highest Bidder agrees to maintain its status as a back-up bidder, then it also must agree that its Next Highest Bid will remain irrevocable and subject to acceptance by the Trustee, and the Trustee will retain its Good Faith Deposit, until the earlier of (i) the closing and effectiveness of the transaction contemplated in the Successful Bid, or (ii) five (5) business days following the termination of the Purchase Agreement or Marked Agreement, as applicable, evidencing the Successful Bid. If the bidder initially identified by the Trustee as the Next Highest Bidder does not agree to such terms, then the Trustee, in her sole discretion, may identify the next highest or otherwise best bid as the Next Highest Bid, and may continue to do so until such a bidder who has submitted such a bid agrees to become the Next Highest Bidder.

F. Acceptance of Successful Bid

In the event that an Auction is held, the Trustee intends to enter into the transaction contemplated by the Purchase Agreement or by the Marked Agreement, as applicable, with the Successful Bidder, whether such buyer is Buyer or another Qualified Bidder. However, the Trustee's acceptance at the Auction of a Successful Bid by a bidder other than Buyer shall not be deemed a termination of the Purchase Agreement and shall not require the Trustee to return the Good Faith Deposit of Buyer if Buyer agrees to become the Next Highest Bidder.

The Trustee and the Successful Bidder shall close the transactions contemplated by the Purchase Agreement (or the applicable Marked Agreement) in accordance with the Purchase Agreement (or the applicable Marked Agreement). In the event that the Successful Bidder fails to close the transactions contemplated in the Purchase Agreement (or the applicable Marked Agreement), then the Trustee shall be authorized, but not required, to close with the Next Highest Bidder without notice to any other party or further court order. If the Trustee decides to close with the Next Highest Bidder, the Trustee and the Next Highest Bidder shall have an additional ten (10) calendar days to close, subject to extensions by the Court for cause shown.

G. Return of Good Faith Deposit

The Good Faith Deposits of all Qualified Bidders shall be held by the Trustee in one or more interest-bearing escrow accounts or, with respect to that of Buyer, in a manner consistent with the Purchase Agreement and the Bidding Procedures, but shall not become property of the Debtor's estate absent further order of the Bankruptcy Court or pursuant to the terms and conditions of the Purchase Agreement (or the applicable Marked Agreement) or the Bidding Procedures.

Subject to the terms and conditions of the Purchase Agreement or Marked Agreement, as the case may be, the Good Faith Deposits made by Qualified Bidders, other than

those made by the Successful Bidder and any Next Highest Bidder who agrees to maintain its status as a back-up bidder, together with any and all interest that may have accrued thereon, shall be returned to such Qualified Bidder within ten (10) business days following the conclusion of the Auction. If the Successful Bidder (or a Next Highest Bidder who agrees to maintain its status as a back-up bidder) timely closes by the closing date set forth in the Purchase Agreement or, if applicable, a Marked Agreement, then its Good Faith Deposit shall be credited towards the amount due at closing under the Purchase Agreement or such Marked Agreement. If the Successful Bidder (or a Next Highest Bidder who agrees to maintain its status as a back-up bidder) fails to timely close by the closing date set forth in the Agreement or, if applicable, a Marked Agreement, then its Good Faith Deposit shall be disposed of as provided in the Purchase Agreement (or the applicable Marked Agreement) or the Bidding Procedures.

H. Modifications

The Trustee may extend or alter any deadline contained in the Bidding Procedures if it will better promote the goals of the Bidding Process. At or before the Sale Hearing, the Bankruptcy Court or the Trustee may impose such other terms and conditions as it and/or she may determine to be in the best interests of the Debtor's estate, its creditors, and other parties in interest.

Contact Name: Daniel A. Lev
Contact Number: (213) 626-2311
Case Name: In re Nuevo World Investments, LLC
Case Number: 2:20-bk-12036-BR

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 333 South Grand Avenue, Suite 3400, Los Angeles, CA 90071

A true and correct copy of the foregoing document entitled: **NOTICE OF SALE OF ESTATE PROPERTY** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On *(date)* July 21, 2020, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

Nicholas W Gebelt on behalf of Debtor Nuevo World Investments, LLC
ngebelt@goodbye2debt.com

Daniel A Lev on behalf of Trustee Elissa Miller (TR)
dlev@sulmeyerlaw.com, ccaldwell@sulmeyerlaw.com; dlev@ecf.inforuptcy.com

Elissa Miller (TR)
CA71@ecfbis.com, MillerTrustee@Sulmeyerlaw.com; C124@ecfbis.com; ccaldwell@sulmeyerlaw.com

Thomas D Sands on behalf of Creditor Beverly Hills Watch Company 401k
thomas@thesandslawgroup.com, thomas@thesandslawgroup.com

United States Trustee (LA)
ustpregion16.la.ecf@usdoj.gov

☐ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On *(date)* _____, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL *(state method for each person or entity served)*: Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on *(date)* _____, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

July 21, 2020

Cheryl Caldwell

/s/Cheryl Caldwell

Date

Printed Name

Signature